

Report on Corporate Governance

1. Corporate Governance

Corporate Governance is about commitment to values, ethical business conduct and about considering all stakeholders' interest in conduct of business. It represents the value framework, rules, practices by which a company conducts its business activities. Corporate Governance essentially involves balancing the interests of many stakeholders in a company which include its shareholders, management, customers, suppliers, financiers, government and the community.

2. Philosophy of JM Financial on Corporate Governance

At JM Financial, we believe that good Corporate Governance is not just a principle but it is embedded in our day-to-day business practices and the manner in which every individual working in all the companies across the group conducts himself/herself. For us, Corporate Governance is a reflection of principles entrenched in our values and policies, leading to value driven growth. We have adopted the best in class Corporate Governance practices and disclosure standards leading to enhanced shareholder value while protecting the interests of all the stakeholders.

Our actions are governed by our values and principles, viz., Integrity, Teamwork, Client Focus, Innovation, Implementation, Performance and Partnership, which are reinforced at all levels across the group. Demonstrating high level of accountability, maintaining high standards of transparency, adequate and timely disclosure and dissemination of price sensitive information, ensuring meticulous compliance with applicable laws, rules and regulations and conducting business in the best ethical manner is part of our core value system.

We conduct our business in accordance with prevailing statutes and regulations, with due focus on transparent and fair practices, efficiency, customer-orientation and corporate governance principles. We also constantly strive to adopt emerging best practices. It is our constant endeavour to provide the stakeholders' oversight for strategy implementation, risk management and fulfilment of stated goals and objectives and provide them relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in corporate governance process.

We are committed to follow the prescribed corporate governance practices embodied in various legislations

viz., Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "the Listing Regulations"), the Companies Act, 2013 (hereinafter referred to as "the Act") and all other applicable rules and regulations.

In accordance with the corporate governance provisions prescribed under the Listing Regulations, we are providing the following disclosures:

3. Board of Directors

The Board of Directors of the Company consists of eminent persons from diverse fields possessing wide range of expertise, skills and experience. The Directors provide strategic guidance, effective leadership and independent views to the management, thereby assisting them to adhere to high standards of ethics, transparency and disclosures even as they pursue high targets of business performance and culture of good decision making. The Chairman of the Board is Mr. Nimesh Kampani, having an illustrious career spanning more than four decades.

A. Composition of the Board

As at March 31, 2018, the Company had eight Board members comprising six independent directors and two non-independent directors. One of the two non-independent directors is the Managing Director and other a Non-executive Director and the Chairman. Ms. Jagi Mangat Panda is the independent woman director on the Board. The composition of the Board of the Company is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Act.

The independent directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have further confirmed to the Board that they meet the required criteria for being the independent directors as outlined under Regulation 16(1)(b) of the Listing Regulations.

Mr. Vishal Kampani, the Managing Director is a relative (son) of Mr. Nimesh Kampani, who is the Non-Executive Chairman of the Company. Save and except this, none

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of the Directors of the Company is related to any other Director.

None of the Directors of the Company hold directorships in more than twenty companies including in more than ten public companies. In accordance with the Listing Regulations, all the Directors of the Company meet the requirement of not holding independent directorships in more than seven listed companies. The Managing Director of the Company does not hold directorships of more than three listed companies. Also, none of our Directors is serving as a member of more than ten committees or as the chairman of more than five committees as per the Listing Regulations. Necessary disclosures regarding committee positions in other public companies as at the end of financial year have been made by the Directors.

As confirmed by the independent directors, they did not have any material pecuniary relationship with

the Company during the financial year 2017-18. The sitting fees paid to them for attending the meetings of the Board and its Committee(s), if any, the commission paid/payable to them and the professional fees, if any, paid during the year are not considered as material pecuniary relationship in accordance with the relevant provisions of the Act/Listing Regulations.

B. Memberships of other Boards

The information relating to the number of other directorships and committee chairmanships/memberships held by the directors in other public companies as on March 31, 2018 is given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. The information pertaining to the chairmanships/memberships of committees of the board held by our directors include audit committee and stakeholders' relationship committee only, as is required under the Listing Regulations.

Name of the Director	Category in the Company	Number of directorships in other public companies		Number of committee positions held in other public companies		No. of equity shares held in JM Financial Limited as on March 31, 2018
		Listed	Unlisted	Chairman	Member	
Mr. Nimesh Kampani	Non-Executive Chairman	4	3	1	6	13,53,57,500*
Mr. E A Kshirsagar	Independent Director	3	1	3	4	Nil
Mr. Darius E Udawadia	Independent Director	4	2	1	7	Nil
Mr. Paul Zuckerman	Independent Director	-	-	-	-	Nil
Dr. Vijay Kelkar	Independent Director	2	2	1	3	Nil
Mr. Keki Dadiseth	Independent Director	4	1	1	5	Nil
Ms. Jagi Mangat Panda	Independent Director	1	4	1	2	Nil
Mr. Vishal Kampani	Managing Director	-	6	-	-	1,05,00,000

* Includes 12,50,000 Equity Shares held by Nimesh Kampani HUF.

C. Board Meetings

The Board meetings are held at regular intervals to consider, discuss and approve inter alia, the unaudited and audited standalone and consolidated financial results of the Company, strategy and policy, risk management, competitive scenario, etc. The tentative dates of board/committee meetings are usually finalised at the beginning of the calendar year and the schedule thereof is made known to the Directors simultaneously to enable them to plan in advance and attend the meetings. Those Board members, who wish to attend the meetings through video conference, are provided with the appropriate facility to do so.

The Board meetings are generally held at the registered office of the Company. Six Board meetings were held during the financial year 2017-18; on May 2, 2017, July 24, 2017, September 13, 2017, October 16, 2017, December 18, 2017 and January 19, 2018. The meetings were held at least once in a quarter and the time period between the two meetings did not exceed 120 days. The required quorum was present at all the above meetings. The details of attendance of the Directors at the Board meetings held during the financial year 2017-18 and at the last annual general meeting are given below:

Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the previous Annual General Meeting
Mr. Nimesh Kampani	6	6	Yes
Mr. E A Kshirsagar	6	6	Yes
Mr. Darius E Udawadia	6	4	Yes
Mr. Paul Zuckerman	6	6	Yes
Dr. Vijay Kelkar	6	6	Yes
Mr. Keki Dadiseth	6	6	Yes
Ms. Jagi Mangat Panda	6	6	Yes
Mr. Vishal Kampani	6	6	Yes

D. Board Procedure

The Board is provided with the relevant information including the information as stipulated under Listing Regulations viz., quarterly/half yearly unaudited financial results and the audited annual statement of accounts, corporate strategy, annual budget and capital expenditure details. The members of the Board have access to the management and the information about the Company.

The agenda items for Board/Committee meetings are finalised by the Company Secretary in consultation with the Chairman. The detailed agenda, setting out the business to be transacted at the Board/Committee meetings supported with relevant presentations, explanatory notes and executive summaries is sent to each Director at least seven days before the date of the meetings. In addition to the items which are required to be placed before the Board for its noting and/or consideration/approval, information is provided on various significant items.

With regard to matters requiring the approval of the Board, all the concerned persons communicate with the Company Secretary in advance to enable inclusion of such matters in the agenda for the Board/Committee meetings. Where it is not practicable to circulate any document or if the agenda item is of a confidential nature, the same is sent separately or tabled at the meeting, as the case may be. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the permission of the Chairman and with the consent of majority of the Directors present at the meeting. The senior officials of the Group are invited to the Board meetings in respect of the items concerning them to provide additional inputs as and when necessary.

At the Board meetings, presentations are made by the Senior Management and CEOs/Business Heads of the Company and its subsidiaries/associate, inter alia, covering the plans, performance, operations, financial performance, risk management, regulatory environment and for other issues and matters which the Board wants to be apprised of on a periodic basis. The Board members interact with the CEOs of respective subsidiary companies for clarifications/information, as and when required.

The Board periodically reviews and takes note of, inter alia, the compliance confirmations in respect of laws and regulations applicable to the Company. The compliance confirmations pertaining to respective subsidiary companies including the summary thereof are also placed before the Board of the Company for its information and noting. Additionally, the annual operating and capital expenditure plans and budgets, unaudited/audited financial results, minutes of the board meetings of the unlisted subsidiaries including the summary of the key decisions taken by their respective boards, significant transactions and arrangements entered into by the unlisted subsidiary companies, risk management update/report, minutes of meetings of the committees of the board, etc. are placed before the Board.

The draft minutes of the Board and Committee meetings are circulated amongst the Directors/Members for their perusal and comments. Suggestions, if any, received from the Directors/Members are suitably incorporated in the draft minutes, in consultation with the Chairman of the Board/Committee. Minutes are generally signed by the Chairman of the Board/Committee at the next meeting.

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The Company has an effective post meeting follow-up, review and reporting process for implementation of the decisions taken by the Board and the Committees thereof. Important decisions taken at the Board/Committee meetings are communicated to the concerned departments and persons promptly. Status of the decisions/minutes of the previous meetings is placed at the succeeding meetings of the Board/Committee for noting.

The Board periodically reviews the risk assessment and risk management processes. The framework comprises an in-house exercise on risk management review, carried out periodically by the Company, to identify and mitigate various risks faced by the Group including the Company on a day to day basis. A detailed note on risk management process is given in the risk management section of Management Discussion and Analysis report.

E. Meeting of Independent Directors

The Independent Directors met on December 18, 2017 without the presence of the Non-Executive Chairman, the Managing Director and the management team of the Company. The meeting was attended by all the Independent Directors. The matters considered and discussed thereat, inter alia, included those prescribed under Schedule IV to the Act and Regulation 25 of the Listing Regulations.

F. Familiarisation Program for Independent Directors

The Company has in place the familiarisation program for the independent directors appointed from time to time. The Program aims to provide insights into the Company to enable them to understand the Company's functioning in depth, familiarise them with the processes of the Company and to assist them in performing their role as independent directors. The CEOs of the respective subsidiaries make presentations at the Board meetings on periodical basis on the businesses carried on by the subsidiary companies to familiarise the independent directors

about the same. During the financial year 2017-18, there has been no change in the independent director of the Company.

The Company's Policy of conducting the Familiarisation Program and details of such familiarisation program during the year, is placed on its website viz., www.jmfl.com

G. Code of Conduct

The Company has adopted the Code of Conduct ("Code") which applies to all the Board members and the Senior Management Personnel. It is the responsibility of all Board members and Senior Management Personnel to familiarise themselves with Code and comply with its provisions. The Code has been circulated to all the members of the Board and Senior Management Personnel and they have confirmed compliance with the Code. The declaration signed by the Managing Director to this effect is given below.

H. Declaration

I confirm that the Company has obtained the confirmation from all its Directors and Senior Management Personnel that they have complied with the provisions of the Code of Conduct for the financial year 2017-18.

Place: Mumbai

Date: May 2, 2018

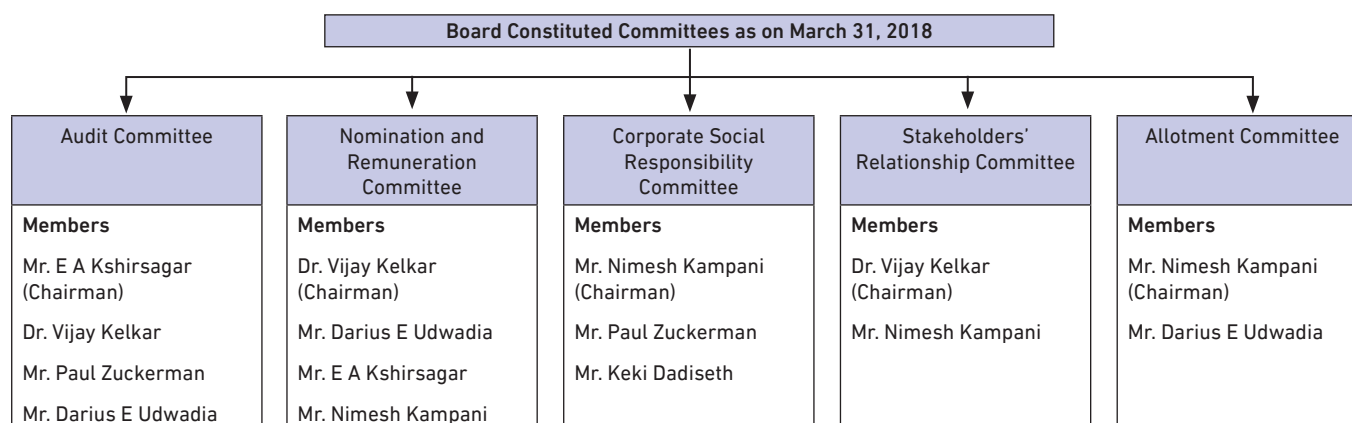
Vishal Kampani

Managing Director

4. Committees of the Board

The Board has constituted various Committees of Directors to take informed decisions in the best interests of the Company. These Committees monitor the activities falling within their terms of reference.

The Company has following Committees of the Board. Specific terms of reference have been laid out for each of these Committees and reviewed annually.



A. Audit Committee

Composition

As can be seen from the above table, the Audit Committee consists of Non-executive Directors, all of whom are Independent Directors. Mr. E A Kshirsagar, a qualified Chartered Accountant, acts as the Chairman of the Committee. All members are financially literate and very learned, experienced and well known in their respective fields. The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer, Internal Auditors and the Statutory Auditors are invited to attend the meetings of the Committee. The minutes of each Audit Committee meeting are circulated amongst the members for their approval. The minutes as approved by the members are generally signed by the Chairman of the Committee at its next meeting.

Mr. E A Kshirsagar, the Chairman of the Committee, was present at the last Annual General Meeting held on July 24, 2017.

Scope and Functions

The terms of reference of the Audit Committee, inter alia, includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of statutory auditors of the Company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Approval for all payments to the statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement forming part of the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments, if any, made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of all related party transactions;

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- vii. Qualifications, if any, in the draft audit report.
- f. Reviewing, with the management, the quarterly financial statements before submission to the Board for its approval;
- g. Approval or any subsequent modification of transactions of the Company with its related parties;
- h. Scrutiny of inter-corporate loans and investments;
- i. Valuation of undertakings or assets of the Company, wherever it is necessary;
- j. Evaluation of internal financial controls and risk management systems;
- k. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- l. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- m. Discussion with internal auditors of any significant findings and follow up thereon;
- n. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- o. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- p. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors as is applicable;
- q. To review the functioning of the Whistle Blower mechanism;
- r. Approval for appointment of the Chief Financial Officer;
- s. Such other functions as may be entrusted to it by the Board of Directors from time to time.

The Chairman of the Audit Committee apprises the Board of Directors about significant discussions and decisions taken at the Audit Committee meetings.

Meetings and Attendance

The Audit Committee met four times during FY 2017-18 on May 2, 2017, July 24, 2017, October 16, 2017 and January 19, 2018. The required quorum was present for all the Audit Committee meetings. The time period between two meetings did not exceed 120 days. The details of attendance of the members of the Committee at the said meetings are as stated below:

Name of the Member	Position	No. of Meetings held	No. of Meetings attended
Mr. E A Kshirsagar	Chairman	4	4
Dr. Vijay Kelkar	Member	4	4
Mr. Paul Zuckerman	Member	4	4
Mr. Darius E Udawadia	Member	4	2

B. Nomination And Remuneration Committee

Composition

The Nomination and Remuneration Committee (NRC) consists of four Non-executive Directors of which three are independent directors. Dr. Vijay Kelkar, acts as the Chairman of the Committee. The other members of the Committee are Mr. E A Kshirsagar, Mr. Darius E Udawadia and Mr. Nimesh Kampani.

Scope and Function

The terms of reference of the NRC, inter alia, includes:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;

- b. Identify and recommend to the Board of Directors, the appointment and removal of persons considered capable and fit for the role of a Director based on the criteria so formulated;
- c. Evaluation of Directors' performance;
- d. Recommend to the Board of Directors a policy relating to the remuneration for the Directors, Key Managerial Personnel and other senior employees of the Company;
- e. Recommending the appointment of Key Managerial Personnel (KMPs) and approving their remuneration;
- f. Such other functions as may be entrusted to it by the Board of Directors from time to time.

The NRC also considers and approves the grant of Stock Options to the employees/directors of the Company and/or its subsidiaries in accordance with the Employee Stock Option Scheme formulated by the Company pursuant to the applicable provisions of the Act and Regulations issued by Securities and Exchange Board of India.

Meetings and Attendance

During FY 2017-18, the NRC met on April 20, 2017, during which all the Committee members were present to, inter alia, determine performance linked discretionary bonus and revision in the fixed salary of the Key Managerial Personnel and other employees of the Company and grant of stock options to eligible employees, performance evaluation of individual directors, Board as a whole and the Board Committees.

Criteria for Performance Evaluation of Directors

The key criteria for performance evaluation of Directors of the Company are given below:

- Providing effective leadership and strategic guidance to the management;

- Understanding the Business, including the risks and regulatory landscape;
- Attendance at, and active engagement in the discussion of business performance, competitive landscape and strategies;
- Development and monitoring of leadership teams, compliance focus and insistence on ethical business practices;
- Nudging for long term focus areas such as Succession Planning, Business Continuity Planning, etc.;
- Management of conflicts in Board discussion;
- Management of potential Conflict of Interests.

C. Corporate Social Responsibility Committee

Composition

The Corporate Social Responsibility (CSR) Committee consists of three Non-executive Directors including two Independent Directors. Mr. Nimesh Kampani is the Chairman of the Committee. The other members of the Committee are Mr. Paul Zuckerman and Mr. Keki Dadiseth.

Scope and Functions

The broad terms of reference of the CSR Committee are as follows:

- a. Formulating and recommending to the Board, CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Act;
- b. Making recommendation on the amount of expenditure to be incurred on CSR activities;
- c. Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;
- d. Such other functions as may be entrusted to it by the Board of Directors from time to time.

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The update on the CSR activities undertaken by the Company through its philanthropic arm viz., JM Financial Foundation is provided in **Annexure V** to the Directors' Report.

Meetings and Attendance

The CSR Committee met two times during the FY 2017-18 on October 16, 2017 and March 15, 2018. The Committee, inter alia, reviewed the CSR projects so far undertaken and also considered, approved and recommended to the Board, the amount of the CSR activities for FY 2017-18 and the projects on which the CSR contribution of FY 2017-18 has been spent. All the Committee members were present at the above meetings.

D. Stakeholders' Relationship Committee

Composition

The Stakeholders' Relationship Committee comprises Dr. Vijay Kelkar, an Independent Director and Mr. Nimesh Kampani, a Non-executive Director of the Company. Dr. Kelkar is the Chairman of the Committee. Mr. P K Choksi, Company Secretary of the Company acts as the Compliance Officer.

Scope and Functions

The Stakeholders' Relationship Committee is empowered to perform the functions of reviewing and taking appropriate action, if any required, relating to the stakeholders' queries and grievances. It primarily focuses on redressal of grievances of the holders of securities of the Company and such other allied matters.

Summary of the grievances received from 5 (five) shareholders and steps taken to resolve/redress the grievances was placed before the Committee meetings. In case of request for transfer/transmission of shares in physical form, Mr. Vishal Kampani, Managing Director and Mr. P K Choksi, Company Secretary, have been severally authorised by the Board to consider such requests to expedite the transfer process.

Meetings and Attendance

The Stakeholders' Relationship Committee met four times during FY 2017-18 on May 2, 2017, July 24, 2017, October 16, 2017 and January 19, 2018. The details of attendance

of the Members at the said meetings are as follows:

Name of the Member	Position	No. of Meetings held	No. of Meetings attended
Dr. Vijay Kelkar	Chairman	4	4
Mr. Nimesh Kampani	Member	4	4

Nature and number of Grievances

During FY 2017-18, number and nature of grievances received from shareholders/investors by the Company/its Registrar & Transfer Agents, are stated below:

Nature of Grievances	No. of Grievances received	No. of Grievances resolved	Pending Grievances
Non-receipt of Dividend	2	2	-
Non-receipt of shares post-corporate action	1	1	-
Non-receipt of physical copy of Annual Report	2	2	-
Total	5	5	-

The grievances, so received, were general in nature and majorly relating to non-receipt of dividends on account of change in address or change in bank mandates. All the grievances received were duly resolved/redressed in a timely manner.

E. Allotment Committee

Composition

The Allotment Committee of the Board comprises Mr. Nimesh Kampani, a Non-executive Director and Mr. Darius E Udawadia, an Independent Director of the Company and Mr. Nimesh Kampani is the Chairman of the Committee.

Scope and Functions

The Allotment Committee, inter alia, considers and approves the allotment of shares/securities including those arising on account of exercise of stock options by the eligible employees, considers and approves requests for issue of duplicate share certificates, issue of new share certificates upon rematerialisation, etc.

Meetings and Attendance

The Allotment Committee met 7 times during FY 2017-18 on May 2, 2017, June 29, 2017, July 24, 2017, September 27, 2017, December 18, 2017, January 19, 2018 and March 15, 2018. The details of attendance of the Members at the said meetings are as below:

Name of the Member	Position	No. of Meetings held	No. of Meetings attended
Mr. Nimesh Kampani	Chairman	7	7
Mr. Darius E Udawadia	Member	7	7

5. Disclosure in Relation To Remuneration of Directors

A. Remuneration of Executive Director

The compensation structure for Executive Director(s) consists of two parts – Fixed and Variable determined on the basis of:

- Market benchmarking
- Individual performance
- Performance of the Company including its subsidiaries/associate

The compensation structure of the Executive Director(s) is being reviewed and approved by the Nomination and Remuneration Committee.

Remuneration of the Managing Director, Mr. Vishal Kampani

In accordance with the terms of the Agreement entered into by the Company with Mr. Vishal Kampani, the Company has paid the following remuneration to Mr. Vishal Kampani during FY 2017-18:

	(Amount in ₹)
Salary	1,20,00,000
Perquisites	21,89,684
Total	1,41,89,684

Additionally, Mr. Kampani was also entitled to receive the Company's contribution to provident fund as per the rules of the Company.

No sitting fees were paid to Mr. Vishal Kampani for attending meetings of the Board during the financial year 2017-18.

Mr. Vishal Kampani is also the Managing Director of JM Financial Products Limited ('JM Financial Products'), a material subsidiary of the Company. Mr. Kampani was re-appointed as the Managing Director of JM Financial Products for a period of five years effective from September 15, 2016. His initial appointment as the Managing Director was in the financial year 2007-08. Mr. Kampani also draws remuneration from this subsidiary. As per the terms of his appointment, so long as Mr. Kampani serves as a Managing Director of the Company and of JM Financial Products, the total amount of remuneration that may be paid to Mr. Kampani by the Company and/or JM Financial Products, shall not exceed the higher maximum limit admissible from the Company or JM Financial Products, as the case may be, in accordance with the applicable provisions of the Act and Schedule V thereto. The details of remuneration drawn by Mr. Vishal Kampani from JM Financial Products are as below:

	(Amount in ₹)
Salary	1,32,00,000
Perquisites	19,52,431
Performance Bonus	11,50,00,000
Total	13,01,52,431

Additionally, Mr. Kampani was also entitled to receive contribution to provident fund from JM Financial Products.

The total amount of remuneration paid/payable by both the companies, viz., JM Financial Limited and JM Financial Products Limited are within the limits prescribed under the Act and as approved by the members and NRCs of the respective companies.

B. Remuneration Policy for Non-executive Directors

The Company follows transparent process for determining the remuneration of Non-executive Directors including the independent directors. Their remuneration is governed by the role assumed,

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number of meetings of the Board and the Committees thereof attended by them, the position held by them as the Chairman and member of the Committees of the Board and their overall contribution as Board members. Besides this, the Board also takes into consideration the external competitive environment, track record, individual performance of such Directors and performance of the Company as well as the

industry standards in determining the remuneration of the Non-executive Directors.

Considering the above, an aggregate amount of ₹ 1,40,00,000 is proposed to be paid as commission to the Non-executive Chairman and the Independent Directors of the Company for FY 2017-18. The details of sitting fees/commission paid/payable to the said Directors are given below:

Name of the Director	Sitting fees paid during the financial year 2017-18						Commission
	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Allotment Committee Meeting	Stakeholders' Relationship Committee Meeting	Corporate Social Responsibility Committee Meeting	For FY 2017-18
Mr. Nimesh Kampani	6,00,000	-	20,000	35,000	40,000	40,000	16,00,000
Mr. E A Kshirsagar	6,00,000	2,00,000	20,000	-	-	-	22,00,000
Mr. Darius E Udawadia	4,00,000	1,00,000	20,000	35,000	-	-	20,00,000
Mr. Paul Zuckerman	6,00,000	2,00,000	-	-	-	40,000	20,00,000
Dr. Vijay Kelkar	6,00,000	2,00,000	20,000	-	40,000	-	22,00,000
Mr. Keki Dadiseth	6,00,000	-	-	-	-	40,000	20,00,000
Ms. Jagi Mangat Panda	6,00,000	-	-	-	-	-	20,00,000

Note: The above does not include the following:

1. Fees paid to the independent directors for attending the Independent Directors' Meeting held on December 18, 2017.
2. Fees paid to Mr. Nimesh Kampani, Mr. Darius E Udawadia and Mr. E A Kshirsagar for attending the meetings of Committee of Directors constituted for the purpose of Qualified Institutions Placement of the Company.
3. As per the practice followed by the Company the commission will be paid to Non-executive Directors after the financial statements are adopted by the members at the Thirty Third Annual General Meeting of the Company.

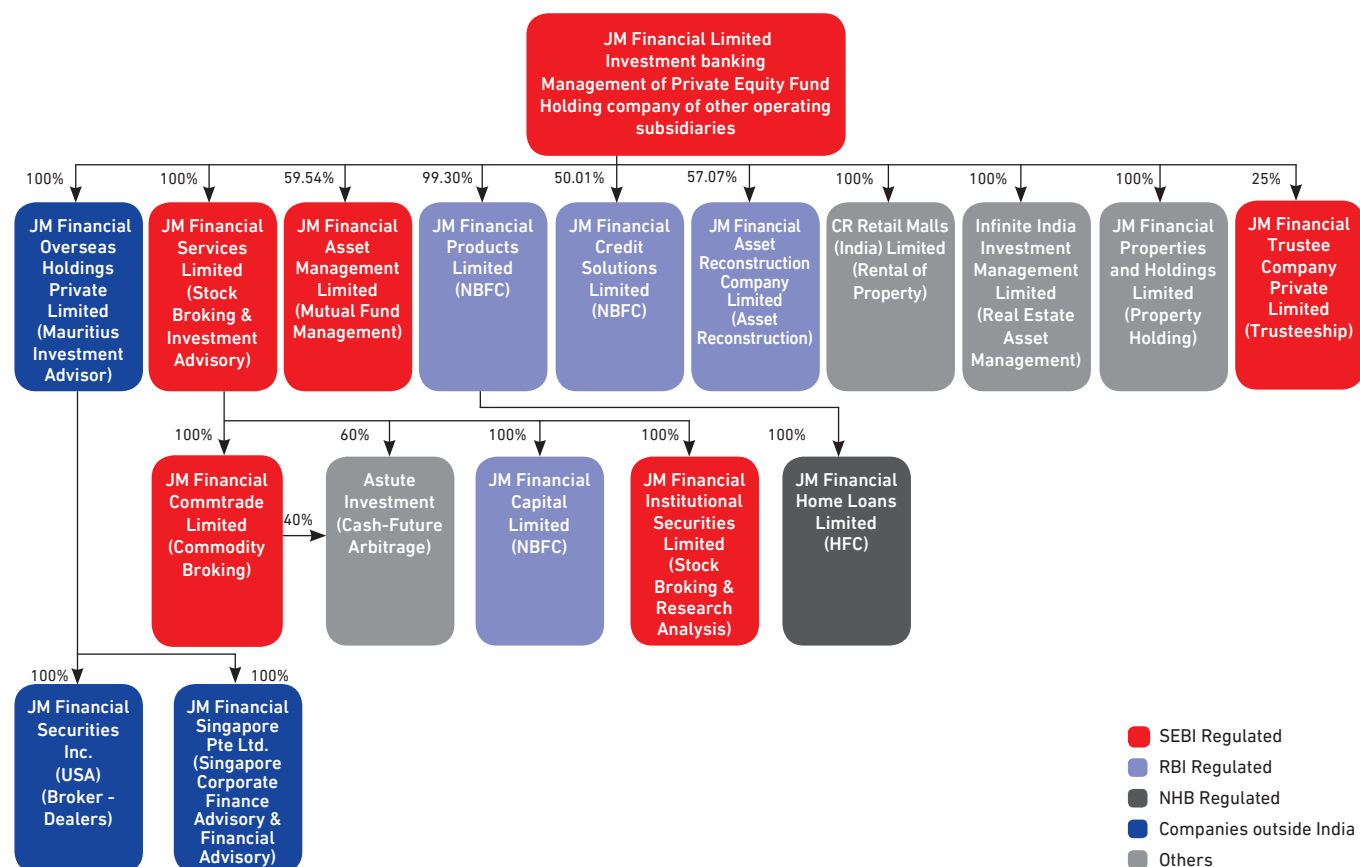
During the FY 2017-18, the Company paid ₹ 51,435 as professional fees to M/s. Udawadia & Co., a legal firm, for professional services provided on matters referred to it from time to time. The Company also paid ₹ 1,00,000 each to Dr. Vijay Kelkar and Mr. Keki Dadiseth as professional fees for rendering advisory services for the new private equity fund sponsored by the Company.

The payment of the said professional fees to the Independent Directors do not affect their independence of judgement, as the services provided by them are in their professional capacity.

Other than the above, no payments have been made to any of the independent directors by the Company.

6. Subsidiary and Associate Companies

The Company had the following subsidiary and associate companies as on March 31, 2018.



Regulation 16(1)(c) of the Listing Regulations defines “material subsidiary” as a subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries at the end of the immediately preceding accounting year.

Based on the above criteria, the details of material subsidiaries of the Company as on March 31, 2018 are given below. In accordance with Regulation 24 of the Listing Regulations, the following Independent Directors of the Company are also Independent Directors on the Boards of the unlisted material subsidiaries as on March 31, 2018:

Name of the material non-listed subsidiaries	Name of the Independent Directors
JM Financial Products Limited	Mr. E A Kshirsagar
JM Financial Credit Solutions Limited	Mr. Darius E Udawadia

The minutes of the Board meetings of the unlisted subsidiary companies are placed at the Board meetings of the Company. The management also periodically brings to the attention of the Members of the Audit Committee, a statement of significant transactions and arrangements entered into by all the unlisted subsidiaries of the Company.

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7. General Body Meetings

a. The location, time and venue of Annual General Meetings held during the last three years are as under:

Date of AGM	Venue	Time	Whether Special Resolution passed	Summary of Special Resolutions
July 30, 2015	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wachha Road, Churchgate, Mumbai 400 020	4.00 p.m.	Yes	<ul style="list-style-type: none"> ● Issue of Non-Convertible Debentures for an amount not exceeding ₹ 1,000 crore. ● Adoption of new set of Articles of Association. ● To approve transactions/contracts/arrangements with a related party viz., JM Financial Products Limited, a subsidiary of the Company for an amount not exceeding ₹ 500 Crore during any one financial year. ● To approve transactions/contracts/arrangements with a related party viz., JM Financial Services Limited, a subsidiary of the Company for an amount not exceeding ₹ 500 Crore during any one financial year. ● To approve transactions/contracts/arrangements with a related party viz., JM Financial Asset Management Limited, a subsidiary of the Company for an amount not exceeding ₹ 200 Crore during any one financial year. ● To approve transactions/contracts/arrangements with a related party viz., JM Financial Credit Solutions Limited a subsidiary of the Company for an amount not exceeding ₹ 500 Crore during any one financial year. ● To approve transactions/contracts/arrangements with a related party viz., JM Financial Asset Reconstruction Company Private Limited, an associate of the Company for an amount not exceeding ₹ 500 Crore during any one financial year. ● To approve transactions/contracts/arrangements with a related party viz., M/s Astute Investments, a partnership firm of which JM Financial Services Limited and JM Financial Commtrade Limited, subsidiaries of the Company are partners for an amount not exceeding ₹ 500 Crore during any one financial year.
August 2, 2016	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wachha Road, Churchgate, Mumbai 400 020	4.00 p.m.	Yes	<ul style="list-style-type: none"> ● Payment of commission to Non-executive Directors including Independent Directors. ● Issue of Redeemable Non-Convertible Debentures for an amount aggregating up to ₹ 1,000 Crore.
July 24, 2017	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wachha Road, Churchgate, Mumbai 400 020	4.00 p.m.	Yes	<ul style="list-style-type: none"> ● Issue of Redeemable Non-Convertible Debentures for an amount aggregating up to ₹ 5,000 Crore.

Further, pursuant to the order of Hon'ble National Company Law Tribunal, Mumbai Bench, a court convened General Meeting of the Members of the Company was held on September 25, 2017 to approve the Scheme of Amalgamation of JM Financial Institutional Securities Limited and JM Financial Investment Managers Limited with JM Financial Limited and their respective shareholders and related matters thereto.

b. Special resolutions passed through postal ballot

During the year, the Members of the Company approved the following Special Resolutions through

postal ballot. In accordance with the applicable provisions of the Act and the Listing Regulations, the Company did provide to its members the facility to cast their votes electronically through the e-voting platform of Karvy Computershare Private Limited, as an alternate to casting votes by physical ballot. The Company had appointed Ms. Jayshree S Joshi, Company Secretary, Proprietress of M/s. Jayshree Dagli & Associates, Company Secretaries, Mumbai, as Scrutiniser to conduct the Postal Ballot process in a fair and transparent manner.

Sr. No.	Resolution	Date of passing the resolution	No. of votes in favour (% of total votes casted)	No. of votes against (% of total votes casted)	Result
1.	To authorise the Board of Directors to borrow, from time to time, any sum or sums of money, not exceeding ₹ 5,000 Crore (Rupees Five Thousand Crore Only).	September 23, 2017	62,61,42,779 (99.949%)	3,20,876 (0.051%)	The Special Resolution was passed by requisite majority.
2.	To authorise the Board of Directors to issue Securities, for an aggregate amount of up to ₹ 650 Crore (Rupees Six Hundred Fifty Crore Only).	January 29, 2018	63,68,67,299 (99.999%)	6,146 (0.001%)	The Special Resolution was passed by requisite majority.

8. Management Discussion and Analysis

The Management Discussion and Analysis Report for FY 2017-18, prepared in accordance with the Listing Regulations, is given in a separate section forming part of this Annual Report.

9. Disclosures

A. Policies Determining Material Subsidiaries and Related Party Transactions

Pursuant to requirements of Regulation 16 and Regulation 23 of Listing Regulations, the Company has adopted the policies for determining material subsidiaries and on related party transactions and the said policies are available on the Company's website at www.jmfl.com.

B. Disclosure on Material Related Party Transactions

Details of materially significant related party transactions entered into during FY 2017-18 are stated in Notes to Financial Statements forming part of this Annual Report.

C. No Penalty or Strictures

There have been no instances of non-compliances by the Company and no penalties and/or strictures have been imposed on it by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during the previous three financial years.

D. Code of Conduct for Prevention of Insider Trading

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Company has appointed the Company Secretary as the Compliance Officer to ensure compliance of the said Code by all the Directors, and employees likely to have access to unpublished price sensitive information.

Report on Corporate Governance (Contd.)

E. Vigil Mechanism/Whistle Blower Policy

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We confirm that no Director or employee has been denied access to the Audit Committee during FY 2017-18. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Company.

F. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not deal with any commodity and hence not exposed to any commodity price risk. As on March 31, 2018, the Company has foreign exchange receivable of ₹ 1,98,70,443 and the same is hedged to avoid any foreign exchange risk. The foreign exchange payable as on March 31, 2018 is ₹ 83,19,861.

G. Managing Director (MD) and Chief Financial Officer (CFO) Certification

As required under Regulation 17(8) of the Listing Regulations, the MD and the CFO of the Company have certified the accuracy of financial statements for FY 2017-18 and adequacy of internal control systems for financial reporting for the said year.

10. Means of Communication

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholders relations. The Company regularly interacts with its members through multiple channels of communication such as results, announcement, annual reports, media releases and the websites of the Company and stock exchanges.

A. Quarterly Results

The unaudited quarterly/half yearly financial results are generally announced within forty-five days of the end of the respective quarter. The audited annual financial results are announced within sixty days of the close of the financial year as per the requirements of the Regulation 33 of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) where the Company's equity shares are listed. These results are thereafter published within forty-eight hours in one English newspaper (generally Business Standard) and one vernacular newspaper (generally Sakal/Navshakti) as well as placed on the Company's website viz., www.jmfl.com, and were also available on the Stock exchange websites. The Company also emails the quarterly results to those shareholders who have registered their email ids with their DPs or the Company.

B. Website

The Company's website www.jmfl.com provides information about the businesses carried on by the Company, its subsidiaries and associate. It is the primary source of information to all the stakeholders of the Company and to general public at large. It also contains a separate dedicated section on Investor Relations. Financial Results, Annual Reports, Shareholding Pattern, Official News Releases, Quarterly Corporate Governance Report, details of unclaimed dividend, various policies adopted by the Board and other general information about the Company is also available on its website.

C. Annual Report

Annual Report containing, inter alia, the Standalone and Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on its website in a user friendly and downloadable format and also on the websites of BSE and NSE.

D. Reminder to Shareholders

Individual reminders are sent each year to those shareholders whose dividends have remained unclaimed from the date they become due for payment, before transferring the monies thereof to the Investor Education & Protection Fund (IEPF). The information on unclaimed dividend is also uploaded on the website of the Company. A separate reminder, in accordance with IEPF Rules, is also sent to those members who have not claimed/encashed their dividends for more than seven consecutive years and whose shares are liable to be transferred to IEPF Authority.

E. NSE Electronic Application Processing System (NEAPS) and BSE Portal for Electronic Filing

The financial results, shareholding pattern and quarterly report on Corporate Governance and other filings required to be made to the Stock Exchanges are electronically filed through NSE Electronic Application Processing System (NEAPS) portal i.e., www.connect2nse.com/listing and BSE portal i.e., <http://listing.bseindia.com>.

F. Designated Exclusive Email-Id

The Company has created an exclusive email id, viz., shareholdergrievance@jmfl.com as a designated email id for the purpose of registering complaints by investors and the same is displayed on the Company's website.

G. Price Sensitive Information

All price sensitive information and such other matters which in the opinion of the Company are of importance to the shareholders/investors are promptly intimated to the Stock Exchanges. Material developments relating to the Company that are potentially price sensitive in nature or which could impact continuity of publicly available information regarding the Company are disclosed to the Stock Exchanges in terms of the Company's Policy for Determination of Materiality of Events/Information.

11. Non-Mandatory Requirements

The Company is in due compliance with all the mandatory requirements of corporate governance specified in Listing Regulations. The Board has taken cognizance of the discretionary requirements as specified in Part E of Schedule II to the Listing Regulations and are being reviewed as and when necessary.